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Vector Tobacco Purchases Roxboro, North Carolina Manufacturing Facility for New  
Omni Cigarette Products

MIAMI--(BUSINESS WIRE)--June 15, 2001--Vector Group Ltd. (NYSE: VGR) announced today that its Vector Tobacco subsidiary has closed on the purchase of a former Crown Craft textile manufacturing facility in Roxboro, North Carolina. Vector Tobacco will immediately begin refurbishing the approximately 328,000 square foot facility, which will be used for the processing and manufacturing of Vector Tobacco's new Omni(TM) and Omni Free(TM) cigarette products.

"We are excited about the purchase of this facility which will be used exclusively for the processing and manufacturing of Vector Tobacco's innovative new cigarette products," said Bennett S. LeBow, Chairman and Chief Executive Officer of Vector Group. "We appreciate the commitment and support of Representative Gordon P. Allen, Governor Michael F. Easley and others who made it possible for Vector Tobacco to expand our business and bring jobs into Person County, North Carolina."

Vector Tobacco has the rights to a process that enables the production of tobacco that is virtually free of nicotine and virtually free of tobacco specific nitrosamines (TSNAs), a potent carcinogen found in tobacco. In addition, Vector Tobacco has developed a proprietary technology that significantly reduces one of the most serious cancer-causing agents in cigarettes, carcinogenic polycyclic aromatic hydrocarbon (PAH) compounds. Vector Group expects to introduce these new products later this year and in early 2002 under the names Omni(TM) and Omni Free(TM). Both Omni(TM) and Omni Free(TM) light, smoke and taste the same as conventional cigarettes.

Vector Group is a holding company that indirectly owns Liggett Group Inc., Vector Tobacco and a controlling interest in New Valley Corporation.

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The Company has tried, whenever possible, to identify these forward-looking statements using words such as "anticipates", "believes", "estimates", "expects", "plans", "intends" and similar expressions. These statements reflect the Company's current beliefs and are based upon information currently available to it. Accordingly, such forward-looking statements involve known and unknown risks, uncertainties and other factors which could cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by, such statements. These risks, uncertainties and contingencies include, without limitation, the challenges inherent in new

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